

State Senator

April 2004

Burton Leland

Reports to the people of the 5th Senate District

Newsletter

Dear Neighbor:

The economic climate here in Michigan continues to force difficult decisions on our state government. However, Governor Granholm has led the way in making wise and compassionate proposals that make the best of these painful choices.

As your Senator, I pledge to continue to represent your interests in Lansing. I will not diminish my zeal for the protection of jobs, education monies, and your rights to equal and affordable auto insurance.

Let's maintain our open dialogue as we fight the good fight of democracy! I look forward to speaking with you at my upcoming Town Hall Meeting. As always, if there is anything I can do to be of service, please do not hesitate to contact me.

Sincerely,

Burton Leland

Legislators Fight To Protect \$17 Million For Detroit Schools

State budget concerns have led some members of the Senate to propose cutting \$15 million from Detroit Public Schools' funding. This money was provided to the District as part of the state-mandated reform instituted five years ago. Detroit Public Schools

have received these funds every year since then.

Governor Jennifer M. Granholm is against the cuts and has included the District's \$15 million in her Executive Budget for FY 2005. According to her office, Gov. Granholm stands

by her budget and wants to save the funding. Even educators outside of Detroit support the District retaining the funds. Talk among the state's educators indicates growing support of parity in school funding. No one wants children to lose out on an education because of where they live.

The Senate's budget also proposes \$10 million in statewide cuts to programs for at-risk children. The at-risk program money encompasses many areas including tutoring, breakfast, lunch, and after-school programs. Detroit would lose an additional \$2 million if this proposal is accepted.

As the budget process continues, I pledge my commitment to fighting for education. We all want the District's budget gap closed.



It's Time To Reform Auto Insurance

Staggering auto insurance rates in Michigan, specifically in Detroit, have finally caught the attention of lawmakers on both sides of the aisle. Late last month, an emotional and heated debate transpired on the Senate floor over the inequity and unaffordability of auto and home insurance in our cities. I recently co-sponsored a bill that would stop insurance companies

from setting premium rates based on where a driver lives. Currently, there is no law in Michigan that limits the premiums charged by auto insurers. There also is no law governing the insurance companies' use of your credit history to determine your premium rate. I supported a failed amendment that would have stopped insurers from considering credit history.

Michigan Insurance Commissioner Linda A. Watters is investigating the unusually high increase in auto insurance rates in Detroit. I invite you to become a part of the process by completing the questionnaire below and returning it to my office. I will forward all completed questionnaires to Commissioner Watters.

FIS 0035 (10/03) Office of Financial and Insurance Services

Insurance Rate Disparity Complaint

Today's
Date

The Office of Financial and Insurance Services (OFIS) is responsible for enforcing the Michigan Insurance Code. OFIS also monitors insurance markets and products to determine that insurance customers have access to quality insurance products at a price that is fair. This complaint is an opportunity for consumers to communicate real-life experience regarding insurance issues that are of concern, and may or may not be a violation of Michigan law. The information you give will be used to identify potential trends, areas of concern, and consumer expectations. The results will help create better insurance laws, public policy, and regulatory techniques. Thank you for participating.

1. Type of insurance your complaint is about: ☐ Auto ☐ Home
2. If you are insured with the same company as you were last year, did your insurance rate increase this year?
☐ Yes ☐ No ☐ I was insured with a different company ☐ I did not need insurance last year
3. If your insurance rate did increase, what was the amount of your increase?
Previous year rate _____ Current year rate _____
4. Did your insurance company explain why your rate increased? ☐ Yes ☐ No *If yes, what reason did they provide you?*

5. During the past year, did any of the following occur?
- Auto insurance:*

☐ Your driving record changed adversely (example: were you involved in an at-fault accident or you were guilty of a moving violation)

☐ You changed your coverage (example: changing from no collision coverage to broad form collision coverage)

☐ You added another vehicle to your policy, or changed vehicles
- ☐ You added a young or high-risk driver(s) to your policy

Homeowners insurance

☐ Was there an increase in the value of your home from the previous year as reflected on your tax assessment

☐ Was additional square footage added to your home or other major improvements
6. Have you filed any claims with your insurance company in the last 3 years? ☐ Yes ☐ No
If yes, please use the back of this form to describe each claim including the amount your insurance company paid.
7. Has your insurance coverage been cancelled by an insurance company within the last 5 years? ☐ Yes ☐ No
If so, name of company, year of cancellation and what reason for the cancellation did the insurance company provide you?

8. Have you ever gone without home or auto insurance because you couldn't afford it? ☐ Yes ☐ No
9. Do you feel you have enough information about your insurance options? ☐ Yes ☐ No

Would you share your comments about insurance issues in Michigan? Please use the back of this form. Attach additional sheet if necessary

Return completed form by mailing to:
Office of Financial and Insurance Services
PO Box 30220
Lansing MI 48909-7720

Or fax this report to 1-517-335-4978

Your name		
Address		
City	State	Zip code
Your telephone number with area code		

Visit OFIS on the Web at:
www.michigan.gov/ofis

 Michigan Department of Consumer & Industry Services
"Serving Michigan...Serving You"

Phone OFIS toll-free at:
1-877-999-6442

The Department of Consumer & Industry Services will not discriminate against any individual or group because of race, sex, religion, age, national origin, color, marital status, political beliefs or disability. If you need help with reading, writing, hearing, etc., under the Americans with Disabilities Act, you may make your needs known to this agency.

In Brief

Late last month, I joined several of my Democratic colleagues at a press conference to address the

“closed” door operations of the Michigan Catastrophic Claims Association (MCCA). The MCCA, a public group

that provides funds to accident victims hit by drivers covered under no-fault insurance, announced an increase to \$127 from \$100. The MCCA is not required by law to provide an explanation for this increase. Pending legislation would provide for public participation and accountability in the rate-setting process.

My colleagues and I are hopeful this legislation will soon be considered in committee.

Senator Leland discusses legislation with staff and colleagues during Senate session.



Bad Driver Fine Repealed, For Some

Insured drivers who get stopped without proof of coverage can now breathe a sigh of relief. The legislature has effectively repealed the \$300 fine levied against drivers who are caught driving without proof of insurance if they can prove they were insured at the time of their traffic stop. This is great news for thousands of Michigan



drivers who may have forgotten their insurance card at home or were simply too flustered by the traffic stop to find it.

Those drivers who have been ticketed for no proof of insurance since the law took effect last October are now eligible for a refund. You should contact the court at which you

paid the fine for instructions on how to receive this money. However, while some of us will benefit from the repeal, others of us who cannot afford insurance will not gain from this change. For this reason, I offered an amendment that would have reduced the fine. Unfortunately, my amendment was rejected.

Pending Legislation

In Lansing, we work on a wide variety of legislation, budgets, and constituent problems. The following are a few of the bills I have introduced this session:

SB 100

Creation of a Regional Transportation Authority

SB 140

Increase in staffing requirement for nursing homes

SB 141

Allow “no reason” absentee voting

SB 190

Expand Michigan’s bottle bill to cover water and juice containers

SB 191

Prohibit use of credit histories in setting insurance rates

SB 197

Require substance abuse treatment for drug offenses

SB 1006

Require plain English disclosure of insurance coverage



How to Contact Senator Leland



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Burton Leland

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April Town Hall Meeting

APRIL 2004						
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I invite you to attend my next Town Hall Meeting scheduled for **Saturday, April 24**, from **10:30 a.m. to 12:30 p.m.** at the **Edison Branch Library**, 18400 Joy Road. I believe it is imperative that I know exactly what's on the minds of my constituents. This knowledge helps me to better serve you.

As with most of our meetings together, I promise the time will be freewheeling and a little bit entertaining. If I can assist anyone, contact me at my home at (313) 537-7166 or at my Lansing office at (517) 373-0994.

Hope to see you there!

FREE Publications Available

Please check the appropriate box(es) below, fill in your name and address in the space provided, and return this entire coupon to: **State Senator Burton Leland, P.O. Box 30036, Lansing, MI 48909-7536** or you may **fax your order to (517) 373-5981**.

- ☐ **Changes and Choices, Legal Rights of Senior Adults**
- ☐ **Child Safety Coloring Book**
- ☐ **The Michigan Constitution**
- ☐ **Constitutional Rights, Crime Victim's Rights Act, and Crime Prevention**
- ☐ **Consumer Information Book**
Protect yourself from fraud!
- ☐ **For the People, By the People**
How the legislative, executive, and judicial branches of state government work.
- ☐ **Michigan's Friend of the Court**
- ☐ **Getting to Know Michigan**
A coloring book for kids in grades 2 to 4.
- ☐ **The Legislative Process in Michigan - A Student's Guide**
Written for high school students and adults.
- ☐ **Movin' On: A Handbook for Young People**
A guide for teens graduating from high school.
- ☐ **Planning for Your Peace of Mind**
Making a will, organ donations, and how to create a Durable Power of Attorney.
- ☐ **A Practical Guide for Tenants and Landlords**
- ☐ **Citizen's Guide to State Government**
- ☐ **Portraits of Michigan**
Pictures and artwork about our State.
- ☐ **Services for Seniors**
- ☐ **Veterans Benefits and Services**
- ☐ **Your Child - A Parent's Guide to Health and Safety**
Information on selecting a day care provider, immunizations, choosing a car seat, tax credits, and how to report child abuse are also included.
- ☐ **Your State Capitol ... A Walking Tour**
- ☐ **Recycling - A Coloring & Learning Book**
- ☐ **State Map**

Name _____ Address _____

City _____, MI Zip Code _____ Phone () _____